

# **Judicial Branch Appropriations Bill House File 2647**

**FINAL ACTION**

April 10, 2008

**An Act relating to and making appropriations to the Judicial Branch.**

**Fiscal Services Division  
Legislative Services Agency**

## **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

LSA Contact: Jennifer Acton (1-7846)

**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 2647  
JUDICIAL BRANCH APPROPRIATIONS BILL**

**FUNDING SUMMARY**

- Appropriates a total of \$148.2 million from the General Fund to the Judicial Branch. The Judicial Branch has 2,003.10 FTE positions that are not limited in this Bill. This is a decrease of \$200,000 and no change in FTE positions compared to the estimated FY 2008 General Fund appropriations. The Bill also appropriates \$2.5 million from the Jury Witness Fee Revolving Fund to the Judicial Retirement Fund and \$1.7 million from the Court Technology and Modernization Fund to the Judicial Retirement Fund.

**STUDIES AND INTENT LANGUAGE**

- Prohibits the Judicial Branch from duplicating the State payroll system. (Page 1, Line 20)
- Requires the Judicial Branch to submit monthly financial statements to the Legislative Services Agency (LSA) and the Department of Management (DOM). (Page 1, Line 26)
- Requires the Judicial Branch to focus efforts on collecting delinquent fines and fees. (Page 2, Line 1)
- Specifies that the Offices of the Clerks of District Court operate in all 99 counties and be accessible to the public as much as reasonably possible. (Page 2, Line 4)
- Requires the Judicial Branch to continue studying the best practices and efficiencies of each judicial district and submit a report to the General Assembly by January 1, 2009. (Page 2, Line 9)
- Requires the Judicial Branch to notify the LSA prior to any interdepartmental transfer of funds. (Page 2, Line 28)
- Requires the Judicial Branch to provide a semi-annual report to the LSA specifying the amount of fines, surcharges, and court costs collected using the Iowa Court Information System (ICIS). (Page 3, Line 2)
- Requires the Judicial Branch to report to the General Assembly by January 1, 2009, regarding the revenues and expenditures for the Enhanced Court Collections Fund and the Court Technology and Modernization Fund. The report must include revenues and expenditures for FY 2008 and planned expenditures for FY 2009. (Page 3, Line 10)
- Requires the Judicial Branch to obtain bids from Iowa Prison Industries on furniture purchases exceeding \$5,000. (Page 3, Line 20)
- Increases the State's contribution to the Judicial Retirement Fund. (Page 3, Line 28)

**EFFECTIVE DATE**

- This Bill is effective on July 1, 2008.

**ENACTMENT DATE**

- This Bill was approved by the General Assembly on April 10, 2008.

House File 2647

House File 2647 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
3	28	2	Nwthstnd	Sec. 602.9104	Judicial Retirement

1 1 Section 1. JUDICIAL BRANCH.

1 2 1. There is appropriated from the general fund of the  
1 3 state to the judicial branch for the fiscal year beginning  
1 4 July 1, 2008, and ending June 30, 2009, the following amount,  
1 5 or so much thereof as is necessary, to be used for the  
1 6 purposes designated:  
1 7 For salaries of supreme court justices, appellate court  
1 8 judges, district court judges, district associate judges,  
1 9 judicial magistrates and staff, state court administrator,  
1 10 clerk of the supreme court, district court administrators,  
1 11 clerks of the district court, juvenile court officers, board  
1 12 of law examiners and board of examiners of shorthand reporters  
1 13 and judicial qualifications commission; receipt and  
1 14 disbursement of child support payments; reimbursement of the  
1 15 auditor of state for expenses incurred in completing audits of  
1 16 the offices of the clerks of the district court during the  
1 17 fiscal year beginning July 1, 2008; and maintenance,  
1 18 equipment, and miscellaneous purposes:  
1 19 ..... \$144,745,322

General Fund appropriation to the Judicial Branch for operations.

DETAIL: This is a decrease of \$200,000 compared to the estimated FY 2008 General Fund appropriation to eliminate a one-time appropriation for Iowa Court Information System (ICIS) programming costs.

1 20 2. The judicial branch, except for purposes of internal  
1 21 processing, shall use the current state budget system, the  
1 22 state payroll system, and the Iowa finance and accounting  
1 23 system in administration of programs and payments for  
1 24 services, and shall not duplicate the state payroll,  
1 25 accounting, and budgeting systems.

Prohibits the Judicial Branch from duplicating current State payroll, budgeting, and accounting systems, except for the implementation of an internal accounting and recordkeeping system.

1 26 3. The judicial branch shall submit monthly financial  
1 27 statements to the legislative services agency and the  
1 28 department of management containing all appropriated accounts  
1 29 in the same manner as provided in the monthly financial status  
1 30 reports and personal services usage reports of the department  
1 31 of administrative services. The monthly financial statements  
1 32 shall include a comparison of the dollars and percentage spent

Requires the Judicial Branch to submit monthly financial statements on all appropriated accounts to the Fiscal Services Division of the Legislative Services Agency (LSA) and the Department of Management (DOM). Specifies what is to be included in the financial statements.

1 33 of budgeted versus actual revenues and expenditures on a  
1 34 cumulative basis for full-time equivalent positions and  
1 35 dollars.

2 1 4. The judicial branch shall focus efforts upon the  
2 2 collection of delinquent fines, penalties, court costs, fees,  
2 3 surcharges, or similar amounts.

Requires the Judicial Branch to focus efforts on collecting delinquent fines and fees.

DETAIL: Senate File 2428 (Delinquent Debt Bill) relates to the collection of delinquent debt owed the State and political subdivisions of the State by requiring offsets of gambling winnings, sanctioning of professional licenses, modifying provisions related to debt and tax collections, writing off certain delinquent court debt, and modifying provisions related to the deposit of certain funds in the Jury and Witness Fee Revolving Fund.

FISCAL IMPACT: The fiscal impact of SF 2428 is estimated to generate additional General Fund revenue of \$22.5 million in FY 2009 and in FY 2010 and \$7.4 million in FY 2011.

2 4 5. It is the intent of the general assembly that the  
2 5 offices of the clerks of the district court operate in all 99  
2 6 counties and be accessible to the public as much as is  
2 7 reasonably possible in order to address the relative needs of  
2 8 the citizens of each county.

Specifies that it is the intent of the General Assembly that the Judicial Branch operate Clerk of Court offices in all 99 counties and ensure the offices are accessible to the public as much as reasonably possible.

2 9 6. The judicial branch shall continue studying the best  
2 10 practices and efficiencies of each judicial district. In  
2 11 identifying the most efficient judicial districts and the  
2 12 districts using best practices, the judicial branch shall  
2 13 consider the average cost to the judicial branch for  
2 14 processing each classification of criminal offense or civil  
2 15 action and the overall number of cases filed. In addition,  
2 16 and as part of the best practices and efficiencies study, the  
2 17 judicial branch shall study the number of judicial officers  
2 18 needed throughout the state to manage current caseloads and  
2 19 anticipated caseloads in the future, and shall make  
2 20 recommendations, if any, as to changes in judgeship and

Requires the Judicial Branch to continue studying the best practices and efficiencies of each judicial district including the average cost for processing each classification of criminal offense or civil action and the number of judicial officers needed throughout the State to manage current caseloads. A report is required to be submitted to the General Assembly and the LSA by January 1, 2009.

2 21 magistrate apportionment formulas in sections 602.6201,  
2 22 602.6301, and 602.6401. The judicial branch shall file a  
2 23 report regarding the study made, recommendations presented,  
2 24 and actions taken pursuant to this subsection with the  
2 25 co=chairpersons and ranking members of the joint  
2 26 appropriations subcommittee on the justice system and to the  
2 27 legislative services agency by January 1, 2009.

2 28 7. In addition to the requirements for transfers under  
2 29 section 8.39, the judicial branch shall not change the  
2 30 appropriations from the amounts appropriated to the judicial  
2 31 branch in this Act, unless notice of the revisions is given  
2 32 prior to their effective date to the legislative services  
2 33 agency. The notice shall include information on the branch's  
2 34 rationale for making the changes and details concerning the  
2 35 workload and performance measures upon which the changes are  
3 1 based.

Requires the Judicial Branch to notify the LSA prior to any intradepartmental transfer of funds. Specifies the contents of the notice.

3 2 8. The judicial branch shall submit a semiannual update to  
3 3 the legislative services agency specifying the amounts of  
3 4 fines, surcharges, and court costs collected using the Iowa  
3 5 court information system since the last report. The judicial  
3 6 branch shall continue to facilitate the sharing of vital  
3 7 sentencing and other information with other state departments  
3 8 and governmental agencies involved in the criminal justice  
3 9 system through the Iowa court information system.

Requires the Judicial Branch to provide a semi-annual report to the LSA, specifying the amount of fines, surcharges, and court costs collected using the Iowa Court Information System (ICIS). Requires the Judicial Branch to continue to share vital sentencing and other information with departments and government agencies involved with the criminal justice system through the Iowa Court Information System.

3 10 9. The judicial branch shall provide a report to the  
3 11 general assembly by January 1, 2009, concerning the amounts  
3 12 received and expended from the enhanced court collections fund  
3 13 created in section 602.1304 and the court technology and  
3 14 modernization fund created in section 602.8108, subsection 7,  
3 15 during the fiscal year beginning July 1, 2007, and ending June  
3 16 30, 2008, and the plans for expenditures from each fund during  
3 17 the fiscal year beginning July 1, 2008, and ending June 30,

Requires the Judicial Branch to report to the General Assembly by January 1, 2009, regarding the revenues and expenditures of the Enhanced Court Collections Fund and the Court Technology and Modernization Fund for FY 2008 and planned expenditures for FY 2009. The Judicial Branch is required to provide a copy of this report to the LSA.

3 18 2009. A copy of the report shall be provided to the  
3 19 legislative services agency.

3 20 10. The judicial branch is encouraged to purchase products  
3 21 from Iowa state industries, as defined in section 904.802,  
3 22 when purchases are required and the products are available  
3 23 from Iowa state industries. The judicial branch shall obtain  
3 24 bids from Iowa state industries for purchases of office  
3 25 furniture during the fiscal year beginning July 1, 2008,  
3 26 exceeding \$5,000.

Beginning July 1, 2008, requires the Judicial Branch to obtain bids from Iowa Prison Industries for office furniture purchases exceeding \$5,000.

3 27 Sec. 2. JUDICIAL RETIREMENT FUND.

3 28 1. There is appropriated from the general fund of the  
3 29 state to the judicial retirement fund for the fiscal year  
3 30 beginning July 1, 2008, and ending June 30, 2009, the  
3 31 following amount, or so much thereof as is necessary, to be  
3 32 used for the purpose designated:  
3 33 Notwithstanding section 602.9104, for the state's  
3 34 contribution to the judicial retirement fund in the amount of  
3 35 30.6 percent of the basic salaries of the judges covered under  
4 1 chapter 602, article 9:  
4 2 ..... \$ 3,450,963

General Fund appropriation to the Judicial Branch for the Judicial Retirement Fund.

DETAIL: This is no change compared to the estimated FY 2008 General Fund appropriation.

In addition to the General Fund appropriation, \$2,500,000 in one-time carryforward money from the Jury Witness Fee Revolving Fund and \$1,674,663 in one-time carryforward money from the Court Technology and Modernization Fund are being directed to Judicial Retirement in this Bill.

CODE: This level of funding effectively increases the State's statutorily required contribution to the Judicial Retirement Fund from 23.70% to 30.60% of the base salaries of judges for a total State contribution of \$7,625,626. Based on Section 602.9104(4)(c), Code of Iowa, the Judges' required contribution is increased from 6.00% to 7.70% for a total employee contribution of \$1,928,835.

NOTE: Senate File 2424 (Public Retirement Systems Bill) established the Judges' contribution rate for FY 2010 at 8.7% and for FY 2011 and until the System is fully funded at 9.35%. The State's required contribution rate will be 30.6% until the System is fully funded. Once the System is fully funded at 100.0%, the State's share will be 60.0% of the required contribution rate and the employees' share will be

40.0% of the actuarially required contribution rate.

4 3 2. There is appropriated from the revolving fund created  
 4 4 in section 602.1302 to the judicial retirement fund for the  
 4 5 fiscal year beginning July 1, 2008, and ending June 30, 2009,  
 4 6 the following amount, or so much thereof as is necessary, to  
 4 7 be used for the purposes designated:  
 4 8 As part of the state's contribution to the judicial  
 4 9 retirement fund in accordance with the conditions specified in  
 4 10 subsection 1:  
 4 11 ..... \$ 2,500,000

Jury Witness Fee Revolving Fund appropriation to Judicial Branch Retirement.

DETAIL: This is a one-time appropriation of carryforward funds. In addition to the \$3,450,963 from the General Fund, this appropriation is included in the overall employer's contribution of \$7,625,626.

Money in the Jury Witness Fee Revolving Fund is used to reimburse mileage and to pay jury and witness fees. The balance carryforward at the beginning of FY 2008 was \$8,052,559. Of this total, \$2,000,000 was appropriated in FY 2008 for Judicial Retirement and \$3,840,000 is estimated for expenditures, leaving a balance carryforward of \$4,894,284 for FY 2009. This Bill appropriates \$2,500,000 from the Fund in FY 2009 for Judicial Retirement.

NOTE: Senate File 2428 (Delinquent Debt Bill) repeals Section 909.8, Code of Iowa, and deposits the money that would otherwise be deposited in the Jury and Witness Fee Revolving Fund in the General Fund beginning in FY 2009. The Jury and Witness Fee Revolving Fund is estimated to need a General Fund appropriation beginning in FY 2011.

4 12 3. There is appropriated from the court technology and  
 4 13 modernization fund established in section 602.8108, subsection  
 4 14 7, for the fiscal year beginning July 1, 2008, and ending June  
 4 15 30, 2009, the following amount, or so much thereof as is  
 4 16 necessary, to be used for the purposes designated:  
 4 17 As part of the state's contribution to the judicial  
 4 18 retirement fund in accordance with the conditions specified in  
 4 19 subsection 1:  
 4 20 ..... \$ 1,674,663

Court Technology and Modernization Fund appropriation to Judicial Branch Retirement.

DETAIL: This is a one-time appropriation of carryforward funds. In addition to the \$3,450,963 from the General Fund, this appropriation is included in the overall employer's contribution of \$7,625,626.

Money in the Court Technology and Modernization Fund is used for the purchase of computers for judges. The balance carryforward at the beginning of FY 2008 was \$5,102,354. The Judicial Branch estimates \$1,968,000 in expenditures, leaving a balance carryforward of \$4,134,354 for FY 2009. This Bill appropriates \$1,674,663 from the Fund in FY 2009 for Judicial Retirement.

4 21 Sec. 3. POSTING OF REPORTS IN ELECTRONIC FORMAT ==  
4 22 LEGISLATIVE SERVICES AGENCY. All reports or copies of reports  
4 23 required to be provided by the judicial branch for fiscal year  
4 24 2008=2009 to the legislative services agency shall be provided  
4 25 in an electronic format. The legislative services agency  
4 26 shall post the reports on its internet website and shall  
4 27 notify by electronic means all the members of the joint  
4 28 appropriations subcommittee on the justice system when a  
4 29 report is posted. Upon request, copies of the reports may be  
4 30 mailed to members of the joint appropriations subcommittee on  
4 31 the justice system.

Requires the Judicial Branch to provide the LSA with reports in electronic format so that the reports can be placed on the LSA web site. The LSA is to notify members of the Justice System Appropriations Subcommittee when reports have been received and published.

4 32 HF 2647

4 33 jm/jg/25

# Justice System

## General Fund

	Actual FY 2007	Estimated FY 2008	Senate Action FY 2009	House Action FY 2009	Final Action FY 2009	Final Action vs. Est 2008	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Judicial Branch</b>							
<b>Judicial Branch</b>							
Judicial Branch	\$ 123,237,410	\$ 144,945,322	\$ 144,745,322	\$ 144,745,322	\$ 144,745,322	\$ -200,000	PG 1 LN 1
Judicial Retirement	2,039,664	3,450,963	3,450,963	3,450,963	3,450,963	0	PG 3 LN 28
<b>Total Judicial Branch</b>	<u>\$ 125,277,074</u>	<u>\$ 148,396,285</u>	<u>\$ 148,196,285</u>	<u>\$ 148,196,285</u>	<u>\$ 148,196,285</u>	<u>\$ -200,000</u>	
<b>Total Justice System</b>	<u><u>\$ 125,277,074</u></u>	<u><u>\$ 148,396,285</u></u>	<u><u>\$ 148,196,285</u></u>	<u><u>\$ 148,196,285</u></u>	<u><u>\$ 148,196,285</u></u>	<u><u>\$ -200,000</u></u>	

# Justice System

## Other Funds

	Actual FY 2007	Estimated FY 2008	Senate Action FY 2009	House Action FY 2009	Final Action FY 2009	Final Action vs. Est 2008	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Judicial Branch</b>							
<b>Judicial Branch</b>							
Judicial Retirement-Jury Witness Fund	\$ 0	\$ 2,000,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 500,000	PG 4 LN 3
Judicial Retirement - Court Techonology Fund	0	0	1,674,663	1,674,663	1,674,663	1,674,663	PG 4 LN 12
<b>Total Judicial Branch</b>	\$ 0	\$ 2,000,000	\$ 4,174,663	\$ 4,174,663	\$ 4,174,663	\$ 2,174,663	
<b>Total Justice System</b>	\$ 0	\$ 2,000,000	\$ 4,174,663	\$ 4,174,663	\$ 4,174,663	\$ 2,174,663	

# Justice System

FTE

	Actual FY 2007	Estimated FY 2008	Senate Action FY 2009	House Action FY 2009	Final Action FY 2009	Final Action vs. Est 2008	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Judicial Branch</b>							
Judicial Branch	1,932.50	2,003.10	2,003.10	2,003.10	2,003.10	0.00	PG 1 LN 1
<b>Total Judicial Branch</b>	1,932.50	2,003.10	2,003.10	2,003.10	2,003.10	0.00	
<b>Total Justice System</b>	1,932.50	2,003.10	2,003.10	2,003.10	2,003.10	0.00	